



**CRHC**

The Capital Region's Housing Corporation

**CAPITAL REGION HOUSING CORPORATION  
BOARD OF DIRECTORS MEETING**

**AGENDA**

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9:30 a.m., Tuesday, February 24, 2015  
625 Fisgard St., Victoria  
Room 488

1. Approval of Agenda
2. Approval of Minutes of January 27, 2015
3. Board Orientation Presentation
4. Mortgage Renewal - Oakwinds
5. Mortgage Renewal – Pinehurst
6. Property Management Report
7. Motion to Close the meeting in accordance with the *Community Charter*, Part 4, Division 3, Section 90 (1) (i) the receipt of advice that is subject to solicitor-client privilege, including communications necessary for that purpose
8. Adjournment



**CRHC**

The Capital Region's Housing Corporation

**Minutes of a Meeting of the Capital Region Housing Corporation Board of Directors  
Held February 24, 2015 in Room 488, 625 Fisgard Street, Victoria, BC**

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**PRESENT: Directors:** R. Cooper (Chair), J. Carline, D. Howe, S. Law, C. Plant, C. Stock  
(alternate for A. Finall)  
**Staff:** K. Lorette, General Manager, Planning and Protective Services;  
C. Culham, Senior Manager; D. Metcalf, Manager of Operations;  
R. Loukes, Accountant; D. Milonas, Recorder

**ABSENT: Directors:** D. Screech

**GUESTS:** Kristin Kelme

The meeting was called to order at 9:33 a.m.

**1. APPROVAL OF AGENDA**

A request was made to change the agenda by removing Board Orientation Presentation.

It was **MOVED** by Director Plant, **SECONDED** by Director Carline  
That the agenda be approved.

**CARRIED**

**2. APPROVAL OF THE MINUTES OF DECEMBER 2, 2014**

It was **MOVED** by Director Law, **SECONDED** by Director Stock  
That the minutes of January 27, 2015 be approved.

The minutes are to be edited in the Message from the Chair to include the word "below" as follows: Chair Cooper spoke to the Corporation's focus on providing affordable housing to residents of the region who are of below median income and referenced a recent news article in the "Times Colonist" discussing median income statistics in BC.

**CARRIED**

**3. MORTGAGE RENEWAL – OAKWINDS**

It was **MOVED** by Director Howe, **SECONDED** by Director Plant

That the Capital Region Housing Corporation (CRHC) Board of Directors:

- a) Approves the resolution required by BC Housing Management Commission to renew the mortgage for Oakwinds through the CMHC Direct Lending Program for a term not to exceed the expiry of the existing operating agreements, and

- b) Authorizes any two members of the CRHC Executive Committee to sign any documents related to the mortgage renewal.

Director Plant requested further information regarding expiring Operating Agreements. The Senior Manager provided a brief explanation and referred the Board Members to the resource on expiring Operating Agreements contained in the Board Orientation package.

#### 4. MORTGAGE RENEWAL – PINEHURST

It was **MOVED** by Director Howe, **SECONDED** by Director Law

That the Capital Region Housing Corporation (CRHC) Board of Directors:

- a) Approves the resolution required by BC Housing Management Commission to renew the mortgage for Pinehurst through the CMHC Direct Lending Program for a term not to exceed the expiry of the existing operating agreements, and
- b) Authorizes any two members of the CRHC Executive Committee to sign any documents related to the mortgage renewal.

**CARRIED**

#### 5. PROPERTY MANAGEMENT REPORT

The Board reviewed the Property Management Report.

It was **MOVED** by Director Law, **SECONDED** by Director Cooper  
That the Capital Region Housing Corporation Board of Directors receives the Property Management report for information.

**CARRIED**

#### 6. MOTION TO CLOSE THE MEETING

It was **MOVED** by Director Plant, **SECONDED** by Director Law to close the meeting in accordance with the Community Charter, Part 4, Division 3, Section 90 (1) (i) the receipt of advice that is subject to solicitor-client privilege, including communications necessary for that purpose.

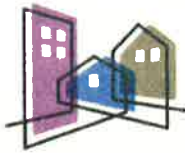
**CARRIED**

#### 7. ADJOURNMENT

The meeting was adjourned at 10:35 am

  
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R. Cooper, Chair

  
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Donna Milonas, Recorder



**CRHC**  
The Capital Region's Housing Corporation

**REPORT TO CAPITAL REGION HOUSING CORPORATION BOARD OF DIRECTORS  
MEETING OF FEBRUARY 24, 2015**

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**SUBJECT     MORTGAGE RENEWAL – OAKWINDS**

**ISSUE**

BC Housing Management Commission (BCHMC) requires a resolution from the Capital Region Housing Corporation (CRHC) Board of Directors to renew the mortgage for Oakwinds and the CRHC Board must authorize any two members of the Executive Committee to sign any documents related to the mortgage renewal.

**BACKGROUND**

The mortgage for Oakwinds, 1311 Hillside Ave., is up for renewal on June 1, 2015. The estimated principal at renewal will be \$1,052,534. The existing mortgage is with CMHC Direct Lending and there are four years and eight months left in the amortization period which coincides with the end of the operating agreement.

BCHMC would like to renew the mortgage through Canada Mortgage and Housing Corporation (CMHC) Direct Lending, which offers lower interest rates than other lenders. The current CMHC direct lending rate for February 2015 is 1.12% for a five year term. BCHMC requires the CRHC Board of Directors to approve and sign the resolution attached as Appendix A.

**ALTERNATIVES**

1. That the Capital Region Housing Corporation (CRHC) Board of Directors
  - a) approves the resolution required by British Columbia Housing Management Commission (BCHMC) to renew the mortgage for Oakwinds through the Canada Mortgage and Housing Corporation (CMHC) Direct Lending Program for a term not to exceed the expiry of the existing operating agreements; and
  - b) Authorizes any two members of the CRHC Executive Committee to sign any document related to the mortgage renewal.
2. That the Capital Region Housing Corporation Board of Directors direct staff to review other financing options such as Municipal Financing Authority (MFA).

**FINANCIAL IMPLICATIONS**

1. If the Corporation approves CMHC Direct Lending mortgage renewals, it will ensure that CRHC continues to benefit from the preferential interest rates available through CMHC/BCMHC and continues to receive the mortgage write down subsidy annually (2013 - \$65,231) until the expiry of the operating agreement.

2. A Board decision to not renew the mortgage under CMHC Direct Lending would necessitate securing a commitment for alternate financing through private sector lenders or MFA which would not allow CRHC to benefit from the low CMHC Direct Lending interest rates.

### **CONCLUSION**

The current CMHC Direct Lending rate for February 2015 is 1.12% for a five year term. Alternative funding sources would unlikely be able to provide an interest rate comparable to what is available through Direct Lending. As an example, the MFA current lending rate is 2.05% and would require a 1% debt retirement required at debenture takeout which would be returned at the five year debenture maturity.

### **RECOMMENDATIONS**

That the Capital Region Housing Corporation (CRHC) Board of Directors

- a) Approves the resolution required by British Columbia Housing Management Commission (BCHMC) to renew the mortgage for Oakwinds through the Canada Mortgage and Housing Corporation (CMHC) Direct Lending Program for a term not to exceed the expiry of the existing operating agreements; and
- b) Authorizes any two members of the CRHC Executive Committee to sign any document related to the mortgage renewal.



Christine Culham  
Senior Manager  
Capital Region Housing Corporation



Kevin Lorette, P.Eng., MBA  
General Manager  
Planning and Protective Services  
Concurrence

CAPITAL REGION HOUSING CORPORATION  
(the "Borrower")

CERTIFIED COPY OF RESOLUTION OF DIRECTORS

BE IT RESOLVED:

That the Borrower hereby irrevocably authorizes British Columbia Housing Management Commission ("BCHMC") to act on its behalf to renew the mortgage presently held by Canada Mortgage Housing Corporation (the "Mortgage") for the project located at 1311 Hillside Ave, BC (BCHMC File No. 91142 / 4280 / CMHC# 10184778).

BE IT FURTHER RESOLVED:

That any two officers or directors of the Borrower for and on behalf of the Borrower be and are hereby authorized to execute and deliver under the seal of the Borrower or otherwise, all such deeds, documents and other writings and to do such acts and things in connection with the Mortgage assignment, renewal and amendment as they, in their discretion, may consider to be necessary or desirable for giving effect to this resolution and for the purpose of fulfilling the requirements of the lender of the monies.

I, Rick Looper, THE UNDERSIGNED, Secretary or President (please circle one) of the Borrower, hereby certify the above to be a true copy of a resolution duly passed by the Directors of the Borrower at a meeting held on the 24<sup>th</sup> day of February, 2015 (and sanctioned by a special resolution of the Borrower if such sanction is required), and that such resolution has not been rescinded, amended or modified and is now in full force and effect.

WITNESS my hand this 24<sup>th</sup> day of February, 2015.

Donna Milonas DONNA MILONAS

Witness  
Signature and Print Name

Rick Looper  
Signature of Secretary or President



**CRHC**

The Capital Region's Housing Corporation

**REPORT TO CAPITAL REGION HOUSING CORPORATION BOARD OF DIRECTORS  
MEETING OF FEBRUARY 24, 2015**

---

**SUBJECT    MORTGAGE RENEWAL – PINEHURST**

**ISSUE**

BC Housing Management Commission (BCHMC) requires a resolution from the Capital Region Housing Corporation (CRHC) Board of Directors to renew the mortgage for Pinehurst and the CRHC Board must authorize any two members of the Executive Committee to sign any documents related to the mortgage renewal.

**BACKGROUND**

The mortgage for Pinehurst, 617 Battery St., is up for renewal on June 1, 2015. The estimated principal at renewal will be \$420,942. The existing mortgage is with Canada Housing and Mortgage Corporation (CMHC) Direct Lending and there are four years and nine months left in the amortization period which coincides with the end of the operating agreement.

BCHMC would like to renew the mortgage through CMHC Direct Lending, which offers lower interest rates than other lenders. The current CMHC direct lending rate for February 2015 is 1.12% for a five year term. BCHMC requires the CRHC Board of Directors to approve and sign the resolution attached as Appendix A.

**ALTERNATIVES**

1. That the Capital Region Housing Corporation (CRHC) Board of Directors
  - a) approves the resolution required by BC Housing Management Commission to renew the mortgage for Pinehurst through the CMHC Direct Lending Program for a term not to exceed the expiry of the existing operating agreements; and
  - b) Authorizes any two members of the CRHC Executive Committee to sign any documents related to the mortgage renewal.
2. That the Capital Region Housing Corporation Board of Directors direct staff to review other financing options such as Municipal Financing Authority (MFA).

**FINANCIAL IMPLICATIONS**

1. If the Corporation approves CMHC Direct Lending mortgage renewals, it will ensure that CRHC continues to benefit from the preferential interest rates available through CMHC/BCMHC and continues to receive the mortgage write down subsidy annually (2013 - \$26,190) until the expiry of the operating agreement.

2. A Board decision to not renew the mortgage under CMHC Direct Lending would necessitate securing a commitment for alternate financing through private sector lenders or MFA which would not allow CRHC to benefit from the low CMHC Direct Lending interest rates.

### **CONCLUSION**

The current CMHC direct lending rate for February 2015 is 1.12% for a five year term. Alternative funding sources would unlikely be able to provide an interest rate comparable to what is available through Direct Lending. As an example, the MFA current lending rate is 2.05% and would require a 1% debt retirement required at debenture takeout which would be returned at the five year debenture maturity.

### **RECOMMENDATIONS**

That the Capital Region Housing Corporation (CRHC) Board of Directors

- a) Approves the resolution required by BC Housing Management Commission to renew the mortgage for Pinehurst through the CMHC Direct Lending Program for a term not to exceed the expiry of the existing operating agreements, and
- b) Authorizes any two members of the CRHC Executive Committee to sign any documents related to the mortgage renewal.

  
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Christine Culham  
Senior Manager  
Capital Region Housing Corporation

  
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Kevin Lorette, P.Eng., MBA  
General Manager  
Planning & Protective Services  
Concurrence

Attachment: 1



CAPITAL REGION HOUSING CORPORATION  
(the "Borrower")

CERTIFIED COPY OF RESOLUTION OF DIRECTORS

BE IT RESOLVED:

That the Borrower hereby irrevocably authorizes British Columbia Housing Management Commission ("BCHMC") to act on its behalf to renew the mortgage presently held by Canada Mortgage Housing Corporation (the "Mortgage") for the project located at 617 Battery Street, BC (BCHMC File No. 91142 / 4280 / CMHC# 10184836).

BE IT FURTHER RESOLVED:

That any two officers or directors of the Borrower for and on behalf of the Borrower be and are hereby authorized to execute and deliver under the seal of the Borrower or otherwise, all such deeds, documents and other writings and to do such acts and things in connection with the Mortgage assignment, renewal and amendment as they, in their discretion, may consider to be necessary or desirable for giving effect to this resolution and for the purpose of fulfilling the requirements of the lender of the monies.

I, Rick Cooper, THE UNDERSIGNED, Secretary or President (please circle one) of the Borrower, hereby certify the above to be a true copy of a resolution duly passed by the Directors of the Borrower at a meeting held on the 24<sup>th</sup> day of February, 2015 (and sanctioned by a special resolution of the Borrower if such sanction is required), and that such resolution has not been rescinded, amended or modified and is now in full force and effect.

WITNESS my hand this 24<sup>th</sup> day of February, 2015.

Donna Milonas, DONNA MILONAS

Witness  
Signature and Print Name

R. Cooper  
Signature of Secretary or President



**CRHC**

The Capital Region's Housing Corporation

**Property Management Report – February 24, 2015  
Capital Region Housing Corporation Board of Directors**

This Property Management Report provides an update since the last report of January 27, 2015

**BCH REGIONAL REGISTRY WAITLIST STATISTICS**

<b>Category</b>	<b>February 2015</b>	<b>January 2015</b>	<b>February 2014</b>
<b>Total Registry Units</b>	<b>3,245</b>	<b>3,245</b>	<b>3,193</b>
Family	431	434	373
Seniors	517	521	450
Persons with Disabilities	381	370	345
Wheelchair Modified	61	57	70
Singles	32	30	19
<b>Total</b>	<b>1,422</b>	<b>1,412</b>	<b>1,257</b>

**BUILDING ENVELOPE REMEDIATION & RELATED CAPITAL IMPROVEMENTS**

The Heathers Building Envelope Remediation

The Heathers was built in 1992 and has 26 units. It was identified as in need of envelope remediation in 2003. In June 2014, BC Housing Management Commission (BCHMC) approved funding for the repairs through a two million dollar grant in the form of a forgivable mortgage. A Request For Proposals from engineering companies has been posted on BC Bid and Merx. In relation to this RFP a mandatory site visit has been set for Feb.24/15.

King Place Boilers

A tender is being developed to replace the failing original boiler system, which supplies in floor heating and domestic hot water. Kings Place is the corporation's only apartment site with this gas fired double system. Staff analysis supports replacement with high efficiency condensing boilers.

**PARRY KITCHEN**

Parry Place is a 21 unit assisted living facility and was completed in June 2008 under the Independent Living BC (ILBC) program, a housing-for-health partnership that meets the needs of lower-income seniors and people with disabilities by providing a middle option between home support and residential care.

CRHC staff is working with D'Ambrosio Architecture and the onsite service provider Beacon Community Services. There is agreement on a preferred layout. The cost estimate along with projected operating budget will be reviewed by BCHMC in anticipation of their final approval for the project to proceed.

## INITIATIVES – ENERGY SAVINGS, GREEN AND CONSERVATION PRACTICES

### Energy Conservation Assistance Program (ECAP)

The ECAP targets lower income residents in providing energy savings upgrades. A technician visits the home and assesses where energy saving upgrades may be effective. ECAP aims to educate and encourage residents on energy saving practices.

Tenants at our Terraces site have recently been sent applications to participate in this program. Seven of the twenty tenants have applied for an assessment.

Staff is requesting that another canvassing of Firgrove take place as only 2 units are participating in the assessment.

## THIRD PARTY MANAGEMENT

As of January 31, 2012, CRHC entered into an agreement with the Corporation of the District of Saanich for the Royal Oak Middle School Affordable Rental Housing Project. Geric Construction is required to rent five units for the period of ten years. The units will be at 85% of Canada Mortgage and Housing Corporation (CMHC) market rent guidelines and the households (tenants) must meet the CMHC income criteria. CRHC will monitor rents and rent increases and provide the service of overseeing tenant qualification for the rental. A fee of \$150 per unit turnover would be payable by Geric Construction Ltd. CRHC is not responsible for finding tenants but for ensuring that they qualify at the time of housing.

## STAFF TRAINING AND SUPPORT

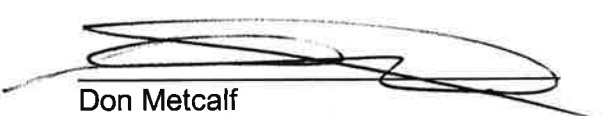
Staff training for 2015 is well underway. CRHC benefits from many sessions presented by the CRD at no cost to our corporation. A CRD mandatory session was attended by all but two staff members regarding the Freedom of Information and Protection of Privacy Act. Additionally staff members have benefited individually from CRD sessions in Time Mastery and Writing to be Understood. Another staff member has participated in a two day Construction Law course which aims to enhance our contract writing, negotiations and dispute management.

## ARBITRATIONS

No Arbitrations were conducted in this reporting period.

## FINANCIAL REPORTING: CHEQUES OVER \$50,000

Vendor	Issued	Expenditure	Notes
Victoria Window Cleaning	Jan.14/15	\$21,294.00	Gutter cleaning
		\$16,794.75	Gutter cleaning
		\$31,716.30	Moss removal
	TOTAL	\$69,805.05	2014 contracts



Don Metcalf  
Manager of Operations